



## Congress of the United States House of Representatives

### **REPS. HOWARD BERMAN AND RICK BOUCHER INTRODUCE LEGISLATION TO REFORM PATENT SYSTEM**

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**CONTACT: Shanna Winters 202-225-2022  
John Noble 202-225-3861**

WASHINGTON, D.C. -- Calling our patent system "in desperate need of repair," Reps. Howard Berman and Rick Boucher today introduced the Patents Depend on Quality Act of 2006 (PDQ Act). Introduction of this legislation follows a series of hearings conducted by the Subcommittee on Intellectual Property which ascertained that the current patent system is deeply flawed. The PDQ Act contains provisions designed to improve patent quality, deter abusive practices by unscrupulous patent "trolls," and provide meaningful, low-cost alternatives to litigation for challenging patent validity.

**"The legislation that Congressman Berman and I have introduced makes many meaningful and much needed reforms to improve patent quality by clarifying when a court can grant injunctive relief, allowing third parties formally to submit prior art during the application process, and establishing an administrative procedure for post-grant review of patents which allows for a meaningful review of patents short of litigation. This vital reform measure will help to ensure that our patent laws promote innovation instead of litigation abuses,"** said Congressman Boucher

Past attempts at achieving more comprehensive patent reform have met with resistance. However, the call for legislative action is loud. Major newspapers, public interest groups, academics and a variety of commercial sectors have noted that something has gone "very wrong" with the United States patent system. When allowing questionable patents and providing inadequate safeguards against patent abuses, the system stifles innovation and interferes with competitive market forces. Litigation abuses, especially those which thrive on low quality patents, impede the promotion of the progress of science and the useful arts.

**"The patent system is strongest, and incentives for innovation are greatest, when only those patents that are truly inventive are protected,"** said Berman. **"There should be no question that the U.S. patent system produces high quality patents. But there are questions about whether this is the case, and so Congress had the responsibility of taking a close look at the functioning of the patent system."**

**"Having done that,"** noted Berman, **"it is clear that the problems with the patent system have been exacerbated by a decrease in patent quality and an increase in litigation abuses. It is also clear that introduction and movement of legislation will focus and advance the discussion. Since we recognized this problem and began this process over five years ago, Congressman Boucher and I have concluded that with or without consensus, Congress must enact legislation soon to address these problems. In addition to this legislation, it is**

**essential that we continue our efforts to end the diversion of funds from the Patent and Trademark Office to other programs. The PTO urgently needs to retain its funding to support its operations and quality initiatives."**

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